

**CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
BOARD OF ADMINISTRATION**

INVESTMENT COMMITTEE

May 16, 2011

9:00 a.m.

**or Upon Adjournment or Recess of the
Board of Administration Closed Session, Whichever is Later**

Robert F. Carlson Auditorium
Lincoln Plaza North
400 Q Street
Sacramento, CA

COMMITTEE MEMBERS

George Diehr, Chair
Henry Jones, Vice Chair
John Chiang
Richard Costigan
Dan Dunmoyer
Rob Feckner
JJ Jelincic
Bill Lockyer
Priya Mathur
Louis F. Moret
Tony Oliveira
Ronald Yank

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| CLOSED SESSION | 9:00 a.m. or Upon Adjournment or Recess of the Board of Administration Closed Session, Whichever is Later

1. Chief Investment Officer's Briefing on Market and Personnel Issues (Government Code sections 11126(a)(1) and 11126(c)(16))
2. Discussion with Board Consultants on Strategic Investment Initiatives (Government Code section 11126(c)(16)) |
| OPEN SESSION | 10:00 a.m. or Upon Adjournment or Recess of Closed Session, Whichever is Later |
| CLOSED SESSION | Upon Adjournment or Recess of Open Session
(Government Code section 11126(c)(16)) |

AGENDA**OPEN SESSION****Action Items**

- 1.
2. Approval of the April 11, 2011 Open Session Minutes
3. April 2011 Policy Subcommittee Report
Policy Subcommittee
Chair Moret
4. Asset Allocation Implementation
a. Interim Asset Allocation Targets
b. Revised Senior Investment Officer Delegations
Farouki Majeed
Joseph Dear
5. Long-Term Care Investment Annual Update and Strategic Asset Allocation – Recommendation
Geraldine Jimenez
6. Contracts – Real Estate Pension Consultant Services Request for Proposal
Kami Niebank
7. Legislation – AB 17 (Davis) – External Investment Managers: Annual Report and Strategies
Danny Brown

Information Items

8. Total Fund
a. Recommendations Regarding Investment Constraints
Joseph Dear and
Eric Baggesen
9. Program Updates
a. Risk Managed Absolute Return Strategies (RMARS) Program Update
b. Consultant Review of Internal Programs
1) Inflation-Linked Asset Class (ILAC) – Commodities Program
2) Global Fixed Income – Currency Management Program
c. Real Estate
d. Alternative Investments Management (AIM)
e. Global Equity
f. Global Equity – Corporate Governance
g. Affiliate Investment Programs
Joseph Dear and
Kurt Silberstein
Wilshire Consulting
10. Activity Reports
a. Roadmap Quarterly Progress Report
b. Consolidated Investment Activity Report
c. Chief Operating Investment Officer's Status Report
Joseph Dear
Joseph Dear
Janine Guillot
11. Agenda and Calendar
a. Draft Agenda for June 13, 2011
b. 2011 Annual Agenda Item Calendar
12. Public Comment

Note: Items designated for information are appropriate for Board/Committee action if the Board/Committee wishes to take action. Any agenda item from a properly noticed Subcommittee meeting held immediately prior to this meeting may be reported on or presented to the Investment Committee for its consideration.

CLOSED SESSION

Upon Adjournment or Recess of Open Session

(Government Code sections 11126(c)(16))

Action Items

Joseph Dear and
Eric Baggesen

Information Items

Ted Eliopoulos
Pension Consulting
Alliance
Eric Baggesen

Janine Guillot
Joseph Dear

1. Call to Order and Roll Call
2. Approval of the April 11, 2011 Closed Session Minutes
3. Recommendations Regarding Investment Constraints:
Iran and Sudan
4. Program Updates
 - a. Real Estate
 - 1) Quarterly Strategic Plan Implementation Update
 - 2) Quarterly Consultant Report on Real Estate Portfolio
 - b. Global Equity Quarterly Portfolio Update
5. External Manager Updates
 - a. Real Estate
 - b. Inflation-Linked Asset Class (ILAC)
 - c. Alternative Investments Management (AIM)
 - d. Global Fixed Income
 - e. Global Equity
 - f. Affiliate Investment Programs
6. Activity Reports
 - a. Status of Action Items Not Yet Reported
 - b. Investment Activity Reports
 - 1) Alternative Investments Management
 - 2) Real Estate
 - 3) Risk Managed Absolute Return Strategies
 - 4) Corporate Governance
 - 5) Inflation-Linked Assets
 - 6) Disclosure of Placement Agent Fees
 - 7) Other Programs